

EXHIBIT 1

**IN THE SUPERIOR COURT OF GWINNETT COUNTY
STATE OF GEORGIA****KHUYEN-TRINH THI VU and
NICK NGUYEN,****Plaintiffs,****v.****MILBANK INSURANCE COMPANY,
a foreign corporation,****Defendant.**)
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)**CIVIL ACTION FILE NO.:** 23-A-06726-7**COMPLAINT**

COMES NOW Plaintiffs **Khuyen-Trinh Thi Vu and Nick Nguyen**, by and through the undersigned counsel, and files this Complaint for breach of first party property insurance contract against Defendant, **Milbank Insurance Company**, and in support hereof, states as follows:

PARTIES

1.

Plaintiffs are adult resident citizens of Gwinnett County, Georgia.

2.

Upon information and belief, Defendant is a foreign insurance company, registered to transact business in, and in fact transacts business in, the State of Georgia. Defendant is in the business of insuring risks and properties located throughout the United States, including Georgia. Defendant maintains an office at 2 Sun Court, Suite 400, Peachtree Corners, GA 30092 where it may be served with process through its registered agent, Corporation Service Company, as identified by the state of Georgia Secretary of State registry.

JURISDICTION AND VENUE

3.

This Court has subject matter jurisdiction over this action for breach of contract and bad faith denial of an insurance claim because the breached contract was entered into, and concerned property in, the state of Georgia and the amount in controversy exceeds \$15,000.00. This Court has personal jurisdiction over Defendant because Defendant is transacting business and insuring properties in the state of Georgia and has appointed a registered agent for service of process in Georgia pursuant to O.C.G.A. § 33-4-1 and O.C.G.A. § 33-4-4.

4.

Venue is proper in this Court because Defendant has a registered agent doing business in Gwinnett County pursuant to O.C.G.A. § 33-4-1, O.C.G.A. § 33-4-4.

5.

In addition, by virtue of the express terms of the insurance policy at issue, Defendant has consented to jurisdiction and venue of this Court.

THE POLICY

6.

Prior to April 7, 2021, and in consideration of the premiums paid to Defendant by the Plaintiffs, Defendant issued a policy with Policy No. 1001058356 (the “Policy”). A true and accurate copy of the Policy is attached hereto as Exhibit “A.”

7.

The Policy provides numerous coverages for the real and personal property located at 1284 Rock Springs Rd., Buford, GA 30519 (the “Insured Property,” “Property,” or the “home”). The

Policy likewise insures against loss due to Fire, subject to a deductible of \$2,500.00 per occurrence. (*See* Ex. A).

8.

The Policy is an all-perils policy providing coverage for sudden and accidental direct physical loss to the dwelling, other structures, and personal property. The Policy covers property repairs and personal property on a full replacement cost basis. (*See* Ex. A).

9.

The Policy covers various types of expenses, including reasonable and necessary costs incurred for temporary repairs to protect covered property from further imminent covered loss and additional living expenses. (*See* Ex. A).

SUDDEN AND ACCIDENTAL DAMAGE TO THE INSURED PROPERTY

10.

On or about April 7, 2021, the above-referenced property suffered damage from a sudden and accidental direct physical loss resulting from Fire (the “Loss”). The Policy was in effect at the time of the Loss.

11.

Plaintiffs promptly and timely notified Defendant of the damage to the Property resulting from the Loss and made a claim pursuant to the Policy. As a result, Defendant assigned an adjuster (“Adjuster”) to investigate Plaintiffs’ claim for sudden and accidental direct physical loss. The Adjuster was authorized as Defendant’s representative and agent for purposes of the claim.

12.

At all times, Plaintiffs made themselves and the Property available to, and fully cooperated with, the Defendant and its representative and agent to inspect and investigate the damages caused by the loss.

13.

Despite Plaintiffs' availability and presentation of the Property, at no point did Defendant's agents or representatives inspect the Plaintiffs' Property.

14.

Defendant's authorized representative and agent, Adjuster, incurred the duty of acting with due diligence in achieving a proper disposition of the Plaintiff's claim when Adjuster undertook the handling of the claim.

15.

Despite Plaintiffs cooperating with the investigation of the claim, sitting for Examinations Under Oath ("EUOs"), providing a sworn statement in proof of loss, and providing hundreds of pages of responsive documents, Defendant has still yet to make a coverage decision on Plaintiffs' claim. Defendant's failure to timely reach a coverage decision within the applicable suit limitations period constitutes a constructive denial of Plaintiffs' claim. Defendant has therefore paid \$0.00 to Plaintiffs for their claim.

16.

Plaintiffs made repeated requests for payment of the claim, the submission of Plaintiffs' sworn statement in proof of loss. A true and accurate copy of the sworn statement in proof of loss is attached hereto as Exhibit "B." Despite this demand for \$154,866.00 less previous payments

and the applicable deductible, Defendant continued to delay the coverage decision in Plaintiffs' claim, despite the obligation to settle the claim becoming reasonably clear.

17.

Defendant did not act fairly or honestly toward the Plaintiffs, or with due regard to the Plaintiffs' claim and interests, when Defendant, under all circumstances articulated herein, failed to indemnify the Plaintiffs for their damages in direct breach of the terms and conditions of the Policy.

18.

Plaintiffs have fulfilled all conditions precedent and contractual obligations under the Policy prior to this lawsuit, or the same were waived.

19.

There exists a genuine, justifiable controversy between the Plaintiffs and the Defendant as to whether Defendant is responsible for further indemnification owed to the Plaintiffs as a result of the Loss. Plaintiffs have exhausted every reasonable means possible to resolve this dispute with the Defendant. With no other option, Plaintiffs were constrained to hire legal counsel, incur additional expenses, and file this lawsuit.

20.

Plaintiffs have suffered loss under the Policy in an amount to be determined at trial.

COUNT I: BREACH OF CONTRACT

21.

Plaintiffs hereby adopts, re-alleges, and incorporates their allegations set forth in Paragraphs 1-20 of this Complaint as if fully set forth herein.

22.

Plaintiffs has performed all conditions precedent to the Defendant's obligation to perform under the Policy including, without limitation, the timely payment of premiums, timely notice of the claim, and post loss obligations, or the Defendant has waived any and all other conditions.

23.

Under the terms of the Policy, Defendant is required to fully indemnify the Plaintiffs for the damages sustained from the Loss.

24.

Despite Plaintiffs' timely written demand, Defendant failed to provide full indemnification to the Plaintiffs under the terms of the Policy.

25.

Defendant failed to act in good faith and fair dealing under the terms of the Policy by refusing to properly investigate and fully indemnify the Plaintiffs according to the terms of the Policy.

26.

The Plaintiffs suffered damages as a direct result of Defendant's failure to indemnify the Plaintiffs for their loss.

27.

All foregoing conduct constitutes a breach of contract that has resulted in damages to the Plaintiffs.

28.

WHEREFORE, Plaintiffs pray for this Court to enter an award in Plaintiffs' favor of compensatory damages, attorneys' fees, pre- and post-judgment interest, and such other and further relief as the Court may deem just and proper.

DEMAND FOR JURY TRIAL

29.

Plaintiffs request a trial by Jury on all counts of the Complaint.

PRAYER FOR RELIEF

30.

WHEREFORE, Plaintiffs request that after due proceedings are had, all appropriate penalties be assessed against the Defendant and that the Plaintiffs receive any and all damages at law to which they are justly entitled, and thus prays for judgment against the Defendant, as follows:

- a. That this Court grant judgment in favor of the Plaintiffs and against Defendant in an amount to be determined at trial for breach of insurance contract.
- b. Compensatory damages, including all damages to the Plaintiffs by the Defendant and any resulting expenses.
- c. Pre- and post-judgment interest in the maximum amount allowed by law;
- d. All statutory penalties;
- e. Any and all applicable multipliers; and,
- f. Any and all other relief that the Court may deem just and proper, whether such relief sounds in law or equity.

Dated, this 7th day of August, 2023.

RESPECTFULLY SUBMITTED,



The Huggins Law Firm, LLC
110 Norcross Street
Roswell, GA 30075
(o) (770) 913-6229
(e) remington@lawhuggins.com
(e) mdturner@lawhuggins.com

J. Remington Huggins, Esq.
Georgia Bar No.: 348736
Michael D. Turner, Esq.
Georgia Bar No.: 216414

Attorneys for the Plaintiffs

EXHIBIT A



**BUSINESS RECORDS
CERTIFICATE OF AUTHENTICITY**

I, Samantha Smith, am employed by State Auto Property & Casualty Insurance Company, 518 E. Broad Street, Columbus, OH 43215. My official title is CARE Service Specialist.

I am familiar with the type of documents and records received, created, and relied upon by **Milbank Insurance Company** in the ordinary course of its business.

The Documents and Records provided include the following:

Copy of Certified Policy 1001058356 01/26/2021 – 01/26/2022 for KHUYEN TRINH VU

I further certify that:

- A) such records were made at or near the time of the occurrence of the matters set forth, by (or from information transmitted by) a person with knowledge of those matters;
- B) such records were kept in the course of a regularly conducted business activity;
- C) the business activity made such records as a regular practice; and
- D) if such record is not an original, such record is a duplicate of the original.

I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Samantha Smith

04/23/2021

SIGNATURE

DATE

01/08/2021

Corporate Office:

State Auto Insurance Companies
518 East Broad Street
Columbus, Ohio 43215 - 3876

(614) 464-5000

Your Homeowners Policy

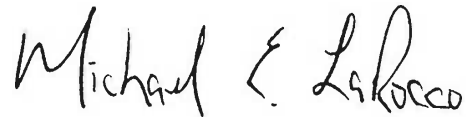
State Auto Insurance Company:

Milbank Insurance Company

In witness whereof, we have caused this policy to be signed by our Secretary and President, at Columbus Ohio, and countersigned on the declarations page by an authorized agent of the State Auto Insurance companies (if required by law).



Melissa A. Centers
Secretary



Michael E. LaRocco
President



InsuranceHub Agency, LLC
1720 Lakes Pkwy
Lawrenceville, GA 30043-8927

New Declaration

Homeowners Policy

Issue Date: 01/08/2021

Total Policy Premium

\$971.58

Named Insured

Khuyen-Trinh Vu
1284 ROCK SPRINGS RD
BUFORD, GA 30519

Policy Number	Policy Period	Coverage is provided by the following State Auto Company
1001058356	01/26/21 - 01/26/22	Milbank Insurance Company

The Premises covered by this policy is located at the address below. Policy Period begins 12:01 am standard time at the residence premises.

Insured Location:

1284 ROCK SPRINGS RD
BUFORD, GA 30519



Questions?

Visit us at **StateAuto.com**
or call **(800) 288-4425**
customer service.

Contact your independent
agent at **(770) 497-1200**.

Your Coverages

Section I Property Coverage	Limit	Premium
A. Dwelling	\$302,900	\$921.23
B. Other Structures	\$30,290	Included
C. Personal Property	\$151,450	Included
D. Loss of Use	\$90,870	Included
Fungi Property Damage	\$10,000	Included
Section II Liability Coverages	Limit	Premium
E. Personal Liability	\$300,000	Included
F. Medical Payments	\$1,000	Included
Fungi Liability	\$50,000	Included

Coverage at the above described location is provided only where a limit of liability or a premium is stated.

Additional Coverages

Coverages	Limit	Premium
Ordinance or Law Coverage	25%	\$50.35
Total Premium		\$971.58

Your Deductibles

Deductibles	Amount
All-Peril	\$2,500
Windstorm or Hail	\$2,500



InsuranceHub Agency, LLC
1720 Lakes Pkwy
Lawrenceville, GA 30043-8927

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BUFORD, GA 30519

Your Applied Discounts

- ◆ Advance Quote
- ◆ Smart / Connected Home
- ◆ Protective Devices Credit
- ◆ Home Purchase Discount



Your Policy Information

Policy type: **HO3**

Construction type: **Sidingwood**

Year built: **1988**

Program: **Standard**

Protection class: **2**

Territory: **30519**

Feet from hydrant: **500**

Miles from fire station: **5**

Residence Type: **Single Family Dwelling**

Questions?

Visit us at **StateAuto.com**
or call **(800) 288-4425**
customer service.

Contact your independent
agent at **(770) 497-1200**.

Your Forms and Endorsements

- FI256 (01/16) Homeowners Options Policy- Cover Page
- HOP063 (10/15) Advisory Notice To Policyholders Home-Sharing Host Services
- HOP066 (03/17) Advisory Notice To Policyholders Home-Sharing Host Activities
- FI256A (01/16) Your Homeowner Policy Quick Reference
- HO0003 (05/11) Homeowners 3- Special Form
- FI0110 (05/13) Special Provisions - Georgia
- FI261 (01/16) Amendment to Policy Provisions Service Vehicles
- FI0653 (02/17) Home-Sharing Host Activities Amendatory Endorsement
- HO0336 (05/11) Limited Fungi, Wet or Dry Rot Or Bacteria Coverage - Georgia



InsuranceHub Agency, LLC
1720 Lakes Pkwy
Lawrenceville, GA 30043-8927

New Declaration

Homeowners Policy

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BUFORD, GA 30519



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or call **(800) 288-4425**
customer service.

Contact your independent
agent at **(770) 497-1200**.

Your Forms and Endorsements

- HO0416 (10/00) Premises Alarm or Fire Protection System
- HO0477 (10/00) Ordinance or Law - Increased Amount of Coverage
- AU677 (06/15) Special Account Deductible
- FI47 (05/11) Outboard Motor Boat Liability Coverage
- HO0410 (10/00) Additional Interest - Residence Premises

Mortgagee, its successors and/or assigns:

LN#0012012020
United Premier Funding, LLC
ISAOA
2645 N Berkeley Lake Rd,
Suite 138-139
Duluth, GA 30096

This declarations page with policy forms and endorsements completes the Policy. This Policy will continue in force for the period indicated upon valid payment of the premium, when due.

**STATE AUTO INSURANCE COMPANIES
CORPORATE HEADQUARTERS - 518 EAST BROAD STREET
COLUMBUS, OHIO 43215**

Date: 01/08/2021

Policy: 1001058356

Insured: Khuyen-Trinh Vu
1284 ROCK SPRINGS RD
BUFORD, GA 30519

Agent: InsuranceHub Agency, LLC
1720 Lakes Pkwy
Lawrenceville, GA 30043-8927
(770) 497-1200

Thank you for your business! Of all the options available to you, we appreciate the fact that you chose State Auto to provide your insurance protection.

We strive to provide quality coverage and service at a fair price. It is important to note that many factors are used to develop insurance premiums. Those items include information regarding prior insurance coverage. We use a Current Carrier report from LexisNexis to verify this information.

Information shown in the Current Carrier report is adversely impacting the premium for this policy. Specifically, the report shows:

Insured had no prior coverage. (Auto)

Tenure with prior carrier is less than 6 years. (Home)

Reference number: 21008151613185 (Home)

You may request a free copy of the report by contacting:

LexisNexis
P.O. Box 105108
Atlanta, GA 30348-5108
1-800-456-6004

www.consumerdisclosure.com

It is important to note that, while the above organization provided the information, they did not make the decision that affected the premium on your policy; nor would they be able to tell you the reasons why this decision was made. Nevertheless, if you would like to obtain a copy of the report to confirm its accuracy or completeness, please call or write them directly at the above number or address within the next 60 days. If there is information on the report that you feel is incorrect or incomplete, you have the right to dispute the information with the above - mentioned company.

Sincerely,

Personal Lines Underwriting

IMPORTANT NOTICE TO OUR GEORGIA POLICYHOLDERS

A credit report or other investigative report about you may be requested in connection with this application for insurance and subsequent amendments and renewals. Credit scoring information may be used to determine either your eligibility for insurance or the premium you will be charged. We may use a third party in connection with the development of your score.

As an existing policyholder, you can request that we reorder your credit report once in a twelve-month period. If you ask us to order a new report, and your score has changed since the last time we ordered an insurance bureau report on you, your premium may decrease or may result in no change to the premium.

If you would like us to order a new report, please send a request, in writing, to your agent.

**GEORGIA OPTIONAL HOMEOWNERS
LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA COVERAGE
INCREASED LIMITS OFFER**

NEITHER THIS OFFER NOR THE FOLLOWING DESCRIPTION PROVIDE COVERAGE NOR DOES IT REPLACE ANY PROVISIONS OF YOUR POLICY. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED WITH. IF THERE IS ANY CONFLICT BETWEEN THE POLICY AND THIS NOTICE, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

With this renewal, or if you are an applicant for new Homeowners insurance, you have the option to select increased limits for limited fungi, wet or dry rot, or bacteria coverage. The following provided a brief outline of the coverage provided.

SECTION I - PROPERTY COVERAGES

If "fungi", wet or dry rot, or bacteria results from a covered peril and damages your property, loss caused by such "fungi", wet or dry rot, or bacteria is covered. However, the amount of insurance available for such coverage is limited to the amount specified on the endorsement (or if not on the endorsement, the Declarations page of your policy.)

Coverage, up to the specified amount of insurance, includes:

1. The cost to remove fungi, wet or dry rot or bacteria from covered property;
2. The cost to tear out and replace any part of the building or other covered property as needed to gain access to the fungi, wet or dry rot or bacteria; and
3. The cost of testing of air or property to confirm the absence, presence or level of fungi, wet or dry rot, or bacteria whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe fungi, wet or dry rot or bacteria is present.

NOTE: Coverage is available ONLY if loss or costs result from a Peril Insured Against that occurs during the policy period.

SECTION II - LIABILITY COVERAGE

Coverage is limited to the amount of insurance available to you when a claim is made or a suit is brought against you by another person alleging damages because of bodily injury or property damage arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any fungi, wet or dry rot, or bacteria.

If your policy is renewing with us, your previous liability coverage for damages caused by fungi, wet or dry rot, or bacteria was provided on an occurrence basis. The new limit of liability is provided on an aggregate basis. This means that the limit for liability coverage shown in the endorsement is the most we will pay for all damages resulting from the total of all bodily injury or property damage, occurring during the entire policy period, that is a result of fungi, wet or dry rot, or bacteria. This aggregate limit is the most we will pay regardless of the number of locations insured under the policy, number of persons injured, number of persons whose property is damaged, number of insureds, or the number of occurrences or claims made against you.

OPTIONAL LIMITS OF LIABILITY

Your new, or renewal policy, will automatically provide up to \$10,000 coverage under Section I, Property Coverage and \$50,000 for Section II Liability for limited fungi, wet or dry rot, or bacteria coverage. However, you have the option of selecting higher limits. If higher limits are desired, please check the desired limit below. If you have any questions about this coverage or these limits, please contact your agent.

SECTION I - PROPERTY COVERAGE SECTION II - LIABILITY

___ \$25,000	___ \$100,000
___ \$50,000	

If this is a renewal, and you've indicated that you wish to have increased limits, please sign and date this form and forward to your agent.

Date: 01/08/2021

Policy Number 1001058356

Named Insured(s)
Print Name(s): Khuyen-Trinh Vu

Named Insured
Signature(s) _____

Privacy Statement



We protect you and your personal information

At State Auto®, we believe that having the right insurance means knowing your family is protected in case the worst happens. As part of this commitment, we treat your personal information responsibly. Our privacy statement explains how we collect, use, share and protect your personal information.

Collecting personal information

We collect your personal information to provide our products and services. We collect personal information when you apply for insurance, file a claim, pay your insurance premium and conduct other transactions with us or your independent agent. We also collect your personal information from our affiliates, your independent insurance agent, government entities, consumer reporting agencies and other sources.

Here are some examples of the personal information that we collect:

- n Name and address
- n Social Security number
- n Credit and motor vehicle reports
- n Claims and vehicle history
- n Property information

Sharing your personal information

State Auto does not sell your personal information to anyone. We share your personal information with your independent agent and other companies to provide you with products and services that you request or expect from us. We also share your personal information as required or permitted by law.

We may share your personal information to:

- n Service your policy or process a transaction you request
- n Investigate and pay claims
- n Comply with federal and state regulatory requests
- n Market our products to you

State Auto shares personal information with nonaffiliated companies without your prior authorization as permitted or required by law. They may use it to investigate fraud, respond to court orders or conduct actuarial studies. We also share it with insurance regulatory authorities, law enforcement and consumer reporting agencies. They may retain it or disclose it to other companies with which you do business. These other companies use and disclose it to others as permitted by law. We obtain reports prepared by an insurance-support organization. The insurance-support organization keeps copies and discloses them to others.

Sharing your personal information for marketing

State Auto may share your personal information with other State Auto companies, including information we receive from a credit reporting agency, such as insurance score and claims history. If you would like to opt out of this sharing, please fill out the opt-out form on the next page and mail it to the address on the form. State Auto does not share your information with other nonaffiliated companies so they can market their own products to you, unless you give us your permission. There is no need to opt out of sharing with nonaffiliated companies. We will not use your medical information for marketing purposes without your consent.

Securing your personal information

At State Auto, we protect your personal information from unauthorized access and use by implementing security measures that comply with federal and state laws. Some of these security measures include computer safeguards, procedures, and secured files and buildings. We limit access to your personal information to those who need it to do their jobs.

Continued on back

Accessing your personal information

You can always ask us or your independent agent for a copy of your personal information. To correct personal information provided by another company, like a credit agency, you must contact those companies directly. To correct personal information on your policy, you may contact your independent insurance agent or State Auto. When requesting a correction please include your name, address and policy number. Mail the inquiry to:

Personal Underwriting Support Dept.
State Auto Insurance Companies
P.O. Box 182822
Columbus, Ohio 43218-2822

Our Privacy Statement applies to current and former customers of the State Automobile Mutual Insurance Company and the affiliates and subsidiaries that offer personal insurance. These include:

- n State Auto Property and Casualty Insurance Company
- n Meridian Security Insurance Company
- n Milbank Insurance Company
- n Patrons Mutual Insurance Company of Connecticut
- n Rockhill Insurance Company
- n Plaza Insurance Company

State Auto Opt-Out Form

State Auto may share information about your transactions and experiences with other State Auto companies, which are called affiliates. This information can include information we receive from a credit reporting agency, such as insurance score and claims history. You may choose to opt out of this sharing by completing this form and mailing it to the address below.

☐ I prefer that State Auto not share my personal information with its affiliates.

State Auto does not share your information with other nonaffiliated companies so they can market their own products to you, unless you give us your permission. There is no need to opt out of sharing with nonaffiliated companies.

Khuyen-Trinh Vu

1001058356

Insured First and Last Name

Policy Number

1284 ROCK SPRINGS RD, BUFORD, GA 30519

Address, City, State, and Zip Code

Please mail this form to:

Personal Underwriting Support Dept.
State Auto Insurance Companies
P.O. Box 182822
Columbus, Ohio 43218-2822

GEORGIA SUMMARY OF RIGHTS

You have the right to know what kind of information (except information collected to evaluate a claim or where the possibility of a criminal or civil proceeding exists) is kept in our files about you and can obtain such information by sending us a written request. Within 30 days we will inform you of the nature of such recorded personal information and permit you to see and copy such information. You may be charged a reasonable fee to cover the costs incurred in providing a copy of recorded personal information.

You have the right to request that the information be corrected, amended or deleted by sending us a written request. Within 30 business days from the date of receipt we will either: (1) Correct, amend, or delete the portion of the recorded personal information in dispute; (2) Notify you of our refusal to make such correction, amendment or deletion, the reasons for the refusal; and your right to file a concise statement of what you think is the correct, relevant or fair information and a concise statement of the reasons why you disagree with our personal information.

GA-SOR (07/11)

IL N 001 09 03

FRAUD STATEMENT

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

HOMEOWNERS

ADVISORY NOTICE TO POLICYHOLDERS REGARDING HOME-SHARING SERVICES

This is a Notice regarding your Homeowners Policy. No coverage is provided by this Notice nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the Policy and this summary, **THE PROVISIONS OF YOUR HOMEOWNERS POLICY SHALL PREVAIL.**

This Notice provides information concerning the potential insurance implications for you of engaging in home-sharing arrangements through home-sharing companies.

Home-sharing companies typically offer home-sharing, or short-term rental, services which use smart-phone applications and other Internet-based platforms to connect guests looking for rentals with homeowners or renters seeking to rent out their homes, spare rooms in their homes or apartments for compensation. These rentals may be on an **extremely** short-term (i.e., as short as **one night**) basis or as long as several months. The parties using these services can be acting as a host and renting out such spaces to others, or acting as a guest and utilizing someone else's space.

Your Homeowners Policy contains several provisions which may limit or exclude certain coverages when you participate in a home-sharing service, either when acting as a host or acting as a guest. For example:

- 1 When acting as a **host**, and renting out space to others, coverage under your Homeowners Policy may, with certain exceptions, be limited or excluded with respect to:
 - 1 Loss to a structure, other than your residence, that is rented or held for rental to others;
 - 1 Loss to personal property of your roomers, boarders and other tenants;
 - 1 Theft of your personal property from that part of your residence rented by you to others;
 - 1 Loss of your appliances, carpeting and other household furnishings in each apartment regularly rented or held for rental to others; and
 - 1 Your liability for bodily injury or property damage to others when the rentals occur more than occasionally.
- 1 When acting as a **guest**, and utilizing someone else's space, coverage under your Homeowners Policy may be limited or excluded with respect to damage to property you rent, occupy, use or property that is in your care.

You should:

- 1 Review your Homeowners Policy and any applicable home-sharing company provisions carefully; and
- 1 Contact your insurance agent or broker to discuss potential gaps in insurance coverage under your policy and any protections which may be available.

HOMEOWNERS

ADVISORY NOTICE TO POLICYHOLDERS (HOME-SHARING HOST ACTIVITIES)

CAUTION: No coverage is provided by this summary; nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the Policy and this summary, **THE PROVISIONS OF YOUR POLICY SHALL PREVAIL.**

This is a summary of a major change in your Homeowners Policy.

A new home-sharing host activities amendatory endorsement has been made a part of your policy. This new endorsement introduces revised policy language to address select provisions applicable to home-sharing host activities and their treatment under your Homeowners Policy.

Home-sharing host activities enable homeowners or renters seeking to rent out their homes, spare rooms in their homes or apartments for compensation using smart-phone applications and other Internet-based platforms to connect with potential guests looking for rentals. These rentals may be on an **extremely** short-term basis (i.e., as short as **one night**) or as long as several months.

If home-sharing host activities are being conducted on the residence premises shown in the policy Declarations, this revision may, in some cases, result in a reduction of coverage.

You should:

- 1 Review your Homeowners Policy carefully; and
- 1 Contact your insurance agent or broker if you engage in, or contemplate engaging in, home-sharing host activities, to discuss any added protections which may be available.

HOMEOWNERS POLICY

I. Definitions

- 1 We have introduced the following new definitions to reinforce that the home-sharing host activities exposure is to be treated separately for coverage purposes under the ISO Homeowners Policy Program:
 - 1 "Home-sharing host activities";
 - 1 "Home-sharing network platform"; and
 - 1 "Home-sharing occupant".
- 1 The definition of "business" has been revised to introduce a specific reference to home-sharing host activities within the definition. As a result of this change, any provisions contained in your policy using the defined term "business" will now specifically extend to "home-sharing host activities" as newly defined.
- 1 A provision has been introduced which states that, as used in the Policy, any references to roomers, boarders, tenants or guests do not include a home-sharing occupant as newly defined.

II. Section I – Property Coverages

The property provisions of your policy have been revised to reinforce that, in general, there is no coverage under your policy for:

- 1 Loss to other structures from which any home-sharing host activities are conducted;
- 1 Loss to personal property of home-sharing occupants;
- 1 Loss to personal property of any other person occupying the residence premises as a result of any home-sharing host activities;
- 1 Loss to personal property in a space while rented or primarily held for rental to a home-sharing occupant;
- 1 Loss to personal property used primarily for home-sharing host activities;
- 1 Loss of fair rental value arising out of or in connection with home-sharing host activities; and
- 1 Loss to any property due to theft, vandalism or malicious mischief resulting from home-sharing host activities.

III. Section II – Liability Coverages

The liability provisions of your policy have been revised to reinforce that, in general, there is no liability coverage for:

- 1 Engaging in the business of renting or holding for rental of an insured location, in whole or in part, for home-sharing host activities; and
- 1 Personal injury arising out of home-sharing host activities.

HOMEOWNERS
HO P 004 05 11

LIMITED HOME DAY CARE COVERAGE ADVISORY NOTICE TO POLICYHOLDERS

CAUTION: This is a summary of the limited coverage provided in your Homeowners Policy for Home Day Care services. No coverage is provided by this summary nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations Page for complete information on the coverage you are provided. If there is any conflict between the policy and this summary, **THE PROVISIONS OF YOUR POLICY SHALL PREVAIL. PLEASE READ YOUR POLICY CAREFULLY.**

- A.** "Business", as defined in the policy, means:
1. A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
 2. Any other activity engaged in for money or other compensation, except the following:
 - a. One or more activities:
 - (1) Not described in **b.** through **d.** below; and
 - (2) For which no insured receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
 - b. Volunteer activities for which no money is received, other than payment for expenses incurred to perform the activity;
 - c. Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
 - d. The rendering of home day care services to a relative of an insured.
- B.** If you or any other insured regularly provides home day care services to a person or persons other than you or any other insureds as their trade, profession or occupation, that service is a "business".
- C.** If home day care service is not your or any other insured's given trade, profession or occupation but is an activity:
1. That you or any other insured engages in for money or other compensation; and
 2. From which you or any other insured receives more than \$2,000 in total/combined compensation from it and any other activity for the 12 months before the beginning of the policy period;
- the home day care service and other activity will be considered a "business".
- D.** With respect to **C.** above, home day care service is only an example of an activity engaged in for money that may be a "business". Any single activity or combination of activities:
1. Described in **A.2.** above; and
 2. Engaged in for money by you or any other insured;
- may be considered a "business" if the \$2,000 threshold is exceeded.
- E.** With respect to **A.** through **D.** above, coverage does not apply to or is limited with respect to home day care service which is a "business". For example, this policy:
1. Does not provide:
 - a. Section **II** coverages. This is because your "business" or the "business" of any other insured is excluded under Section **II** – Exclusions;
 - b. Coverage, under Section **I**, for other structures from which any "business" is conducted; and

2. Limits Section I coverage, under Coverage **C** – Special Limits Of Liability, for "business" property:
- a. On the residence premises for the home day care "business" to \$2,500. This is because Coverage **C** – Special Limits Of Liability imposes that limit on "business" property on the residence premises;
 - b. Away from the residence premises for the home day care "business" to \$1,500. This is because Coverage **C** – Special Limits Of Liability imposes that limit on "business" property away from the residence premises. This limit does not apply to antennas, tapes, wires, records, disks or other media that are:
 - (1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and
 - (2) In or upon a motor vehicle.

YOUR HOMEOWNERS POLICY QUICK REFERENCE GUIDE

READ YOUR POLICY CAREFULLY. This Homeowners Policy Quick Reference provides only a brief outline of some of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control the policy itself. This is a legal contract between you and your insurance company. **IT IS THEREFORE IMPORTANT THAT YOU READ YOUR POLICY.**

DECLARATIONS (Pages Numbered Separately)**YOUR NAME****LOCATION OF YOUR RESIDENCE****POLICY PERIOD****COVERAGES, LIMIT OF LIABILITY AND PREMIUM****AMOUNT OF DEDUCTIBLE**

MAJOR POLICY PROVISIONS	PAGE NUMBER (Beginning on page)			
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Coverages				
Dwelling	3	NA	2	2
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Coverages				
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Sections I And II Conditions	23	18	20	22
ENDORSEMENTS: Endorsements apply if number and edition date are shown on the Declarations See coverage forms for other conditions				

HOMEOWNERS
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HOMEOWNERS 3 – SPECIAL FORM

AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

DEFINITIONS

- A.** In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.
- B.** In addition, certain words and phrases are defined as follows:
 - 1.** "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:
 - a.** Liability for "bodily injury" or "property damage" arising out of the:
 - (1)** Ownership of such vehicle or craft by an "insured";
 - (2)** Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
 - (3)** Entrustment of such vehicle or craft by an "insured" to any person;
 - (4)** Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
 - (5)** Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.
 - b.** For the purpose of this definition:
 - (1)** Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
 - (2)** Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
 - (3)** Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
 - (4)** Motor vehicle means a "motor vehicle" as defined in **7.** below.
 - 2.** "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
 - 3.** "Business" means:
 - a.** A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
 - b.** Any other activity engaged in for money or other compensation, except the following:
 - (1)** One or more activities, not described in **(2)** through **(4)** below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
 - (2)** Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
 - (3)** Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
 - (4)** The rendering of home day care services to a relative of an "insured".
 - 4.** "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".
 - 5.** "Insured" means:
 - a.** You and residents of your household who are:
 - (1)** Your relatives; or
 - (2)** Other persons under the age of 21 and in your care or the care of a resident of your household who is your relative;
 - b.** A student enrolled in school full-time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:
 - (1)** 24 and your relative; or

- (2) 21 and in your care or the care of a resident of your household who is your relative; or

c. Under Section II:

- (1) With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person described in **5.a.** or **b.** "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner; or

- (2) With respect to a "motor vehicle" to which this policy applies:

- (a) Persons while engaged in your employ or that of any person described in **5.a.** or **b.**; or

- (b) Other persons using the vehicle on an "insured location" with your consent.

Under both Sections I and II, when the word an immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

6. "Insured location" means:

- a.** The "residence premises";
- b.** The part of other premises, other structures and grounds used by you as a residence; and
 - (1) Which is shown in the Declarations; or
 - (2) Which is acquired by you during the policy period for your use as a residence;
- c.** Any premises used by you in connection with a premises described in **a.** and **b.** above;
- d.** Any part of a premises:
 - (1) Not owned by an "insured"; and
 - (2) Where an "insured" is temporarily residing;
- e.** Vacant land, other than farm land, owned by or rented to an "insured";
- f.** Land owned by or rented to an "insured" on which a one-, two-, three- or four-family dwelling is being built as a residence for an "insured";

- g.** Individual or family cemetery plots or burial vaults of an "insured"; or

- h.** Any part of a premises occasionally rented to an "insured" for other than "business" use.

7. "Motor vehicle" means:

- a.** A self-propelled land or amphibious vehicle; or
- b.** Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **a.** above.

- 8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:**

- a.** "Bodily injury"; or
- b.** "Property damage".

- 9. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.**

10. "Residence employee" means:

- a.** An employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the "residence premises", including household or domestic services; or
- b.** One who performs similar duties elsewhere not related to the "business" of an "insured".

A "residence employee" does not include a temporary employee who is furnished to an "insured" to substitute for a permanent "residence employee" on leave or to meet seasonal or short-term workload conditions.

11. "Residence premises" means:

- a.** The one-family dwelling where you reside;
- b.** The two-, three- or four-family dwelling where you reside in at least one of the family units; or
- c.** That part of any other building where you reside;

and which is shown as the "residence premises" in the Declarations.

"Residence premises" also includes other structures and grounds at that location.

SECTION I – PROPERTY COVERAGES**A. Coverage A – Dwelling**

1. We cover:
 - a. The dwelling on the "residence premises" shown in the Declarations, including structures attached to the dwelling; and
 - b. Materials and supplies located on or next to the "residence premises" used to construct, alter or repair the dwelling or other structures on the "residence premises".
2. We do not cover land, including land on which the dwelling is located.

B. Coverage B – Other Structures

1. We cover other structures on the "residence premises" set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line, or similar connection.
2. We do not cover:
 - a. Land, including land on which the other structures are located;
 - b. Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;
 - c. Other structures from which any "business" is conducted; or
 - d. Other structures used to store "business" property. However, we do cover a structure that contains "business" property solely owned by an "insured" or a tenant of the dwelling, provided that "business" property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure.
3. The limit of liability for this coverage will not be more than 10% of the limit of liability that applies to Coverage A. Use of this coverage does not reduce the Coverage A limit of liability.

C. Coverage C – Personal Property**1. Covered Property**

We cover personal property owned or used by an "insured" while it is anywhere in the world. After a loss and at your request, we will cover personal property owned by:

- a. Others while the property is on the part of the "residence premises" occupied by an "insured"; or
- b. A guest or a "residence employee", while the property is in any residence occupied by an "insured".

2. Limit For Property At Other Locations**a. Other Residences**

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises", is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- (1) Moved from the "residence premises" because it is:
 - (a) Being repaired, renovated or rebuilt; and
 - (b) Not fit to live in or store property in; or
- (2) In a newly acquired principal residence for 30 days from the time you begin to move the property there.

b. Self-storage Facilities

Our limit of liability for personal property owned or used by an "insured" and located in a self-storage facility is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- (1) Moved from the "residence premises" because it is:
 - (a) Being repaired, renovated or rebuilt; and
 - (b) Not fit to live in or store property in; or
- (2) Usually located in an "insured's" residence, other than the "residence premises".

3. Special Limits Of Liability

The special limit for each category shown below is the total limit for each loss for all property in that category. These special limits do not increase the Coverage C limit of liability.

- a. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum other than platinumware, coins, medals, scrip, stored value cards and smart cards.
- b. \$1,500 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.
This limit includes the cost to research, replace or restore the information from the lost or damaged material.
- c. \$1,500 on watercraft of all types, including their trailers, furnishings, equipment and outboard engines or motors.
- d. \$1,500 on trailers or semitrailers not used with watercraft of all types.
- e. \$1,500 for loss by theft of jewelry, watches, furs, precious and semiprecious stones.
- f. \$2,500 for loss by theft of firearms and related equipment.
- g. \$2,500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
- h. \$2,500 on property, on the "residence premises", used primarily for "business" purposes.
- i. \$1,500 on property, away from the "residence premises", used primarily for "business" purposes. However, this limit does not apply to antennas, tapes, wires, records, disks or other media that are:
 - (1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and
 - (2) In or upon a "motor vehicle".
- j. \$1,500 on portable electronic equipment that:
 - (1) Reproduces, receives or transmits audio, visual or data signals;

- (2) Is designed to be operated by more than one power source, one of which is a "motor vehicle's" electrical system; and

- (3) Is in or upon a "motor vehicle".

- k. \$250 for antennas, tapes, wires, records, disks or other media that are:

- (1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and

- (2) In or upon a "motor vehicle".

4. Property Not Covered

We do not cover:

- a. Articles separately described and specifically insured, regardless of the limit for which they are insured, in this or other insurance;

- b. Animals, birds or fish;

- c. "Motor vehicles".

This includes a "motor vehicle's" equipment and parts. However, this Paragraph 4.c. does not apply to:

- (1) Portable electronic equipment that:

- (a) Reproduces, receives or transmits audio, visual or data signals; and

- (b) Is designed so that it may be operated from a power source other than a "motor vehicle's" electrical system.

- (2) "Motor vehicles" not required to be registered for use on public roads or property which are:

- (a) Used solely to service a residence; or

- (b) Designed to assist the handicapped;

- d. Aircraft, meaning any contrivance used or designed for flight, including any parts whether or not attached to the aircraft.

We do cover model or hobby aircraft not used or designed to carry people or cargo;

- e. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;

- f. Property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

- g. Property in an apartment regularly rented or held for rental to others by an "insured", except as provided in **E.10. Landlord's Furnishings** under **Section I – Property Coverages**;
- h. Property rented or held for rental to others off the "residence premises";
- i. "Business" data, including such data stored in:
 - (1) Books of account, drawings or other paper records; or
 - (2) Computers and related equipment.

We do cover the cost of blank recording or storage media and of prerecorded computer programs available on the retail market;
- j. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds except as provided in **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under **Section I – Property Coverages**; or
- k. Water or steam.

D. Coverage D – Loss Of Use

The limit of liability for Coverage **D** is the total limit for the coverages in **1. Additional Living Expense**, **2. Fair Rental Value** and **3. Civil Authority Prohibits Use** below.

1. Additional Living Expense

If a loss covered under **Section I** makes that part of the "residence premises" where you reside not fit to live in, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

Payment will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

2. Fair Rental Value

If a loss covered under **Section I** makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

Payment will be for the shortest time required to repair or replace such premises.

3. Civil Authority Prohibits Use

If a civil authority prohibits you from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against, we cover the loss as provided in **1. Additional Living Expense** and **2. Fair Rental Value** above for no more than two weeks.

4. Loss Or Expense Not Covered

We do not cover loss or expense due to cancellation of a lease or agreement.

The periods of time under **1. Additional Living Expense**, **2. Fair Rental Value** and **3. Civil Authority Prohibits Use** above are not limited by expiration of this policy.

E. Additional Coverages

1. Debris Removal

- a. We will pay your reasonable expense for the removal of:

- (1) Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
- (2) Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit is available for such expense.

- b. We will also pay your reasonable expense, up to \$1,000, for the removal from the "residence premises" of:

- (1) Your trees felled by the peril of Windstorm or Hail or Weight of Ice, Snow or Sleet; or
- (2) A neighbor's trees felled by a Peril Insured Against under Coverage **C**;

provided the trees:

- (3) Damage a covered structure; or
- (4) Do not damage a covered structure, but:
 - (a) Block a driveway on the "residence premises" which prevents a "motor vehicle", that is registered for use on public roads or property, from entering or leaving the "residence premises"; or

- (b) Block a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling building.

The \$1,000 limit is the most we will pay in any one loss, regardless of the number of fallen trees. No more than \$500 of this limit will be paid for the removal of any one tree.

This coverage is additional insurance.

2. Reasonable Repairs

- a. We will pay the reasonable cost incurred by you for the necessary measures taken solely to protect covered property that is damaged by a Peril Insured Against from further damage.
- b. If the measures taken involve repair to other damaged property, we will only pay if that property is covered under this policy and the damage is caused by a Peril Insured Against. This coverage does not:
 - (1) Increase the limit of liability that applies to the covered property; or
 - (2) Relieve you of your duties, in case of a loss to covered property, described in **C.4.** under Section I – Conditions.

3. Trees, Shrubs And Other Plants

We cover trees, shrubs, plants or lawns, on the "residence premises", for loss caused by the following Perils Insured Against:

- a. Fire or Lightning;
- b. Explosion;
- c. Riot or Civil Commotion;
- d. Aircraft;
- e. Vehicles not owned or operated by a resident of the "residence premises";
- f. Vandalism or Malicious Mischief; or
- g. Theft.

We will pay up to 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be paid for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

This coverage is additional insurance.

4. Fire Department Service Charge

We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

This coverage is additional insurance. No deductible applies to this coverage.

5. Property Removed

We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed.

This coverage does not change the limit of liability that applies to the property being removed.

6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money

- a. We will pay up to \$500 for:
 - (1) The legal obligation of an "insured" to pay because of the theft or unauthorized use of credit cards issued to or registered in an "insured's" name;
 - (2) Loss resulting from theft or unauthorized use of an electronic fund transfer card or access device used for deposit, withdrawal or transfer of funds, issued to or registered in an "insured's" name;
 - (3) Loss to an "insured" caused by forgery or alteration of any check or negotiable instrument; and
 - (4) Loss to an "insured" through acceptance in good faith of counterfeit United States or Canadian paper currency.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

This coverage is additional insurance. No deductible applies to this coverage.

b. We do not cover:

(1) Use of a credit card, electronic fund transfer card or access device:

- (a)** By a resident of your household;
- (b)** By a person who has been entrusted with either type of card or access device; or
- (c)** If an "insured" has not complied with all terms and conditions under which the cards are issued or the devices accessed; or

(2) Loss arising out of "business" use or dishonesty of an "insured".

c. If the coverage in a. above applies, the following defense provisions also apply:

- (1)** We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.
- (2)** If a suit is brought against an "insured" for liability under **a.(1)** or **(2)** above, we will provide a defense at our expense by counsel of our choice.
- (3)** We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under **a.(3)** above.

7. Loss Assessment

a. We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you, as owner or tenant of the "residence premises", by a corporation or association of property owners. The assessment must be made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against under Coverage A, other than:

- (1)** Earthquake; or
- (2)** Land shock waves or tremors before, during or after a volcanic eruption.

The limit of \$1,000 is the most we will pay with respect to any one loss, regardless of the number of assessments. We will only apply one deductible, per unit, to the total amount of any one loss to the property described above, regardless of the number of assessments.

b. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

c. Paragraph Q. Policy Period under Section I – Conditions does not apply to this coverage.

This coverage is additional insurance.

8. Collapse

a. The coverage provided under this Additional Coverage – Collapse applies only to an abrupt collapse.

b. For the purpose of this Additional Coverage – Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

c. This Additional Coverage – Collapse does not apply to:

- (1)** A building or any part of a building that is in danger of falling down or caving in;
- (2)** A part of a building that is standing, even if it has separated from another part of the building; or
- (3)** A building or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

d. We insure for direct physical loss to covered property involving abrupt collapse of a building or any part of a building if such collapse was caused by one or more of the following:

- (1)** The Perils Insured Against named under Coverage C;
- (2)** Decay, of a building or any part of a building, that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
- (3)** Insect or vermin damage, to a building or any part of a building, that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
- (4)** Weight of contents, equipment, animals or people;
- (5)** Weight of rain which collects on a roof; or

(6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

- e. Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under d.(2) through (6) above, unless the loss is a direct result of the collapse of a building or any part of a building.
- f. This coverage does not increase the limit of liability that applies to the damaged covered property.

9. Glass Or Safety Glazing Material

a. We cover:

- (1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window;
- (2) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window when caused directly by earth movement; and
- (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.

b. This coverage does not include loss:

- (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in a.(3) above; or
- (2) On the "residence premises" if the dwelling has been vacant for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided in a.(2) above. A dwelling being constructed is not considered vacant.

c. This coverage does not increase the limit of liability that applies to the damaged property.

10. Landlord's Furnishings

We will pay up to \$2,500 for your appliances, carpeting and other household furnishings, in each apartment on the "residence premises" regularly rented or held for rental to others by an "insured", for loss caused by a Peril Insured Against in Coverage C, other than Theft.

This limit is the most we will pay in any one loss regardless of the number of appliances, carpeting or other household furnishings involved in the loss.

This coverage does not increase the limit of liability applying to the damaged property.

11. Ordinance Or Law

a. You may use up to 10% of the limit of liability that applies to Coverage A for the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:

- (1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;
- (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
- (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.

b. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in a. above.

c. We do not cover:

- (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
- (2) The costs to comply with any ordinance or law which requires any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants in or on any covered building or other structure.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

12. Grave Markers

We will pay up to \$5,000 for grave markers, including mausoleums, on or away from the "residence premises" for loss caused by a Peril Insured Against under Coverage C.

This coverage does not increase the limits of liability that apply to the damaged covered property.

SECTION I – PERILS INSURED AGAINST

A. Coverage A – Dwelling And Coverage B – Other Structures

1. We insure against direct physical loss to property described in Coverages A and B.
2. We do not insure, however, for loss:

- a. Excluded under Section I – Exclusions;
- b. Involving collapse, including any of the following conditions of property or any part of the property:
 - (1) An abrupt falling down or caving in;
 - (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above;

except as provided in E.8. Collapse under Section I – Property Coverages; or

- c. Caused by:

- (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:
 - (a) Maintain heat in the building; or
 - (b) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;

- (2) Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (a) Fence, pavement, patio or swimming pool;
 - (b) Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of a building, or other structure;
 - (c) Retaining wall or bulkhead that does not support all or part of a building or other structure; or
 - (d) Pier, wharf or dock;
- (3) Theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
- (4) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
- (5) Mold, fungus or wet rot. However, we do insure for loss caused by mold, fungus or wet rot that is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure if such loss results from the accidental discharge or overflow of water or steam from within:
 - (a) A plumbing, heating, air conditioning or automatic fire protective sprinkler system, or a household appliance, on the "residence premises"; or
 - (b) A storm drain, or water, steam or sewer pipes, off the "residence premises".

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment; or

(6) Any of the following:

- (a)** Wear and tear, marring, deterioration;
- (b)** Mechanical breakdown, latent defect, inherent vice or any quality in property that causes it to damage or destroy itself;
- (c)** Smog, rust or other corrosion, or dry rot;
- (d)** Smoke from agricultural smudging or industrial operations;
- (e)** Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against named under Coverage **C**.
Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;
- (f)** Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings;
- (g)** Birds, rodents or insects;
- (h)** Nesting or infestation, or discharge or release of waste products or secretions, by any animals; or
- (i)** Animals owned or kept by an "insured".

Exception To c.(6)

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage **A** or **B** resulting from an accidental discharge or overflow of water or steam from within a:

- (i)** Storm drain, or water, steam or sewer pipe, off the "residence premises"; or

- (ii)** Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises". This includes the cost to tear out and replace any part of a building, or other structure, on the "residence premises", but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the "residence premises".

We do not cover loss to the system or appliance from which this water or steam escaped.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

Section I – Exclusion A.3. Water, Paragraphs a. and c. that apply to surface water and water below the surface of the ground do not apply to loss by water covered under **c.(5)** and **(6)** above.

Under **2.b.** and **c.** above, any ensuing loss to property described in Coverages **A** and **B** not precluded by any other provision in this policy is covered.

B. Coverage C – Personal Property

We insure for direct physical loss to the property described in Coverage **C** caused by any of the following perils unless the loss is excluded in Section **I** – Exclusions.

1. Fire Or Lightning

2. Windstorm Or Hail

This peril includes loss to watercraft of all types and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

3. Explosion**4. Riot Or Civil Commotion****5. Aircraft**

This peril includes self-propelled missiles and spacecraft.

6. Vehicles**7. Smoke**

This peril means sudden and accidental damage from smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

8. Vandalism Or Malicious Mischief**9. Theft**

a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.

b. This peril does not include loss caused by theft:

- (1) Committed by an "insured";
- (2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
- (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured"; or
- (4) That occurs off the "residence premises" of:
 - (a) Trailers, semitrailers and campers;
 - (b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or
 - (c) Property while at any other residence owned by, rented to, or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss.

10. Falling Objects

This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

11. Weight Of Ice, Snow Or Sleet

This peril means weight of ice, snow or sleet which causes damage to property contained in a building.

12. Accidental Discharge Or Overflow Of Water Or Steam

a. This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

b. This peril does not include loss:

- (1) To the system or appliance from which the water or steam escaped;
- (2) Caused by or resulting from freezing except as provided in Peril Insured Against **14. Freezing**;
- (3) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises"; or
- (4) Caused by mold, fungus or wet rot unless hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

c. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

d. Section **I – Exclusion A.3. Water**, Paragraphs **a.** and **c.** that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril.

13. Sudden And Accidental Tearing Apart, Cracking, Burning Or Bulging

This peril means sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing under this peril.

14. Freezing

- a. This peril means freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, but only if you have used reasonable care to:

- (1) Maintain heat in the building; or
- (2) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

- b. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

15. Sudden And Accidental Damage From Artificially Generated Electrical Current

This peril does not include loss to tubes, transistors, electronic components or circuitry that is a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

16. Volcanic Eruption

This peril does not include loss caused by earthquake, land shock waves or tremors.

SECTION I – EXCLUSIONS

- A. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion **A.1.a.** does not apply to the amount of coverage that may be provided for in **E.11**. Ordinance Or Law under Section I – Property Coverages;
- b. The requirements of which result in a loss in value to property; or

- c. Requiring any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This Exclusion **A.1.** applies whether or not the property has been physically damaged.

2. Earth Movement

Earth Movement means:

- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide, mudslide or mudflow;
- c. Subsidence or sinkhole; or
- d. Any other earth movement including earth sinking, rising or shifting.

This Exclusion **A.2.** applies regardless of whether any of the above, in **A.2.a.** through **A.2.d.**, is caused by an act of nature or is otherwise caused.

However, direct loss by fire, explosion or theft resulting from any of the above, in **A.2.a.** through **A.2.d.**, is covered.

3. Water

This means:

- a. Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- b. Water which:
 - (1) Backs up through sewers or drains; or
 - (2) Overflows or is otherwise discharged from a sump, sump pump or related equipment;
- c. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- d. Waterborne material carried or otherwise moved by any of the water referred to in **A.3.a.** through **A.3.c.** of this exclusion.

This Exclusion **A.3.** applies regardless of whether any of the above, in **A.3.a.** through **A.3.d.**, is caused by an act of nature or is otherwise caused.

This Exclusion **A.3.** applies to, but is not limited to, escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from any of the above, in **A.3.a.** through **A.3.d.**, is covered.

4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the "residence premises". But if the failure results in a loss, from a Peril Insured Against on the "residence premises", we will pay for the loss caused by that peril.

5. Neglect

Neglect means neglect of an "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

6. War

War includes the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

7. Nuclear Hazard

This Exclusion **A.7.** pertains to Nuclear Hazard to the extent set forth in **N.** Nuclear Hazard Clause under Section **I – Conditions**.

8. Intentional Loss

Intentional Loss means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss.

9. Governmental Action

Governmental Action means the destruction, confiscation or seizure of property described in Coverage **A**, **B** or **C** by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this policy.

- B.** We do not insure for loss to property described in Coverages **A** and **B** caused by any of the following. However, any ensuing loss to property described in Coverages **A** and **B** not precluded by any other provision in this policy is covered.

1. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **A.** above to produce the loss.
2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
3. Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, siting;
 - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - c. Materials used in repair, construction, renovation or remodeling; or
 - d. Maintenance;
 of part or all of any property whether on or off the "residence premises".

SECTION I – CONDITIONS

A. Insurable Interest And Limit Of Liability

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

1. To an "insured" for more than the amount of such "insured's" interest at the time of loss; or
2. For more than the applicable limit of liability.

B. Deductible

Unless otherwise noted in this policy, the following deductible provision applies:

With respect to any one loss:

1. Subject to the applicable limit of liability, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.
2. If two or more deductibles under this policy apply to the loss, only the highest deductible amount will apply.

C. Duties After Loss

In case of a loss to covered property, we have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:

1. Give prompt notice to us or our agent;
2. Notify the police in case of loss by theft;
3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under Section **I – Property Coverages**;
4. Protect the property from further damage. If repairs to the property are required, you must:
 - a. Make reasonable and necessary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;
5. Cooperate with us in the investigation of a claim;
6. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
7. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies; and
 - c. Submit to examination under oath, while not in the presence of another "insured", and sign the same;
8. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - a. The time and cause of loss;
 - b. The interests of all "insureds" and all others in the property involved and all liens on the property;
 - c. Other insurance which may cover the loss;
 - d. Changes in title or occupancy of the property during the term of the policy;
 - e. Specifications of damaged buildings and detailed repair estimates;
 - f. The inventory of damaged personal property described in **6.** above;

- g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and
- h. Evidence or affidavit that supports a claim under **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under Section **I – Property Coverages**, stating the amount and cause of loss.

D. Loss Settlement

In this Condition **D.**, the terms "cost to repair or replace" and "replacement cost" do not include the increased costs incurred to comply with the enforcement of any ordinance or law, except to the extent that coverage for these increased costs is provided in **E.11. Ordinance Or Law** under Section **I – Property Coverages**. Covered property losses are settled as follows:

1. Property of the following types:
 - a. Personal property;
 - b. Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings;
 - c. Structures that are not buildings; and
 - d. Grave markers, including mausoleums;
 at actual cash value at the time of loss but not more than the amount required to repair or replace.
2. Buildings covered under Coverage **A** or **B** at replacement cost without deduction for depreciation, subject to the following:
 - a. If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, without deduction for depreciation, but not more than the least of the following amounts:
 - (1) The limit of liability under this policy that applies to the building;
 - (2) The replacement cost of that part of the building damaged with material of like kind and quality and for like use; or
 - (3) The necessary amount actually spent to repair or replace the damaged building.
 If the building is rebuilt at a new premises, the cost described in (2) above is limited to the cost which would have been incurred if the building had been built at the original premises.

- b. If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:

- (1) The actual cash value of that part of the building damaged; or
- (2) That proportion of the cost to repair or replace, without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.

- c. To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:

- (1) Excavations, footings, foundations, piers, or any other structures or devices that support all or part of the building, which are below the undersurface of the lowest basement floor;
- (2) Those supports described in (1) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
- (3) Underground flues, pipes, wiring and drains.

- d. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss as noted in **2.a.** and **b.** above.

However, if the cost to repair or replace the damage is both:

- (1) Less than 5% of the amount of insurance in this policy on the building; and
- (2) Less than \$2,500;

we will settle the loss as noted in **2.a.** and **b.** above whether or not actual repair or replacement is complete.

- e. You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability according to the provisions of this Condition **D. Loss Settlement**, provided you notify us, within 180 days after the date of loss, of your intent to repair or replace the damaged building.

E. Loss To A Pair Or Set

In case of loss to a pair or set we may elect to:

1. Repair or replace any part to restore the pair or set to its value before the loss; or
2. Pay the difference between actual cash value of the property before and after the loss.

F. Appraisal

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

1. Pay its own appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

G. Other Insurance And Service Agreement

If a loss covered by this policy is also covered by:

1. Other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss; or
2. A service agreement, this insurance is excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

H. Suit Against Us

No action can be brought against us unless there has been full compliance with all of the terms under Section I of this policy and the action is started within two years after the date of loss.

I. Our Option

If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with material or property of like kind and quality.

J. Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

1. Reach an agreement with you;
2. There is an entry of a final judgment; or
3. There is a filing of an appraisal award with us.

K. Abandonment Of Property

We need not accept any property abandoned by an "insured".

L. Mortgage Clause

1. If a mortgagee is named in this policy, any loss payable under Coverage A or B will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
 - a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
 - b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
 - c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Paragraphs F. Appraisal, H. Suit Against Us and J. Loss Payment under Section I – Conditions also apply to the mortgagee.
3. If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.

4. If we pay the mortgagee for any loss and deny payment to you:

- a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
- b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

5. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

M. No Benefit To Bailee

We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

N. Nuclear Hazard Clause

1. "Nuclear Hazard" means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
2. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
3. This policy does not apply under Section I to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

O. Recovered Property

If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.

P. Volcanic Eruption Period

One or more volcanic eruptions that occur within a 72-hour period will be considered as one volcanic eruption.

Q. Policy Period

This policy applies only to loss which occurs during the policy period.

R. Concealment Or Fraud

We provide coverage to no "insureds" under this policy if, whether before or after a loss, an "insured" has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
 2. Engaged in fraudulent conduct; or
 3. Made false statements;
- relating to this insurance.

S. Loss Payable Clause

If the Declarations shows a loss payee for certain listed insured personal property, the definition of "insured" is changed to include that loss payee with respect to that property.

If we decide to cancel or not renew this policy, that loss payee will be notified in writing.

SECTION II – LIABILITY COVERAGES**A. Coverage E – Personal Liability**

If a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies, we will:

1. Pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured"; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement.

B. Coverage F – Medical Payments To Others

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury". Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees". As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or

2. To a person off the "insured location", if the "bodily injury":
 - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;
 - b. Is caused by the activities of an "insured";
 - c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or
 - d. Is caused by an animal owned by or in the care of an "insured".

SECTION II – EXCLUSIONS**A. "Motor Vehicle Liability"**

1. Coverages **E** and **F** do not apply to any "motor vehicle liability" if, at the time and place of an "occurrence", the involved "motor vehicle":
 - a. Is registered for use on public roads or property;
 - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or
 - c. Is being:
 - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
 - (2) Rented to others;
 - (3) Used to carry persons or cargo for a charge; or
 - (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.
2. If Exclusion **A.1.** does not apply, there is still no coverage for "motor vehicle liability", unless the "motor vehicle" is:
 - a. In dead storage on an "insured location";
 - b. Used solely to service a residence;
 - c. Designed to assist the handicapped and, at the time of an "occurrence", it is:
 - (1) Being used to assist a handicapped person; or
 - (2) Parked on an "insured location";
 - d. Designed for recreational use off public roads and:
 - (1) Not owned by an "insured"; or

- (2) Owned by an "insured" provided the "occurrence" takes place:
 - (a) On an "insured location" as defined in Definition **B.6.a., b., d., e. or h.**; or
 - (b) Off an "insured location" and the "motor vehicle" is:
 - (i) Designed as a toy vehicle for use by children under seven years of age;
 - (ii) Powered by one or more batteries; and
 - (iii) Not built or modified after manufacture to exceed a speed of five miles per hour on level ground;
- e. A motorized golf cart that is owned by an "insured", designed to carry up to four persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an "occurrence", is within the legal boundaries of:
 - (1) A golfing facility and is parked or stored there, or being used by an "insured" to:
 - (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;
 - (b) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or
 - (c) Cross public roads at designated points to access other parts of the golfing facility; or
 - (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an "insured's" residence.

B. "Watercraft Liability"

- 1. Coverages **E** and **F** do not apply to any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
 - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
 - b. Rented to others;
 - c. Used to carry persons or cargo for a charge; or

- d. Used for any "business" purpose.

- 2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:

- a. Is stored;
- b. Is a sailing vessel, with or without auxiliary power, that is:
 - (1) Less than 26 feet in overall length; or
 - (2) 26 feet or more in overall length and not owned by or rented to an "insured"; or
- c. Is not a sailing vessel and is powered by:
 - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
 - (a) 50 horsepower or less and not owned by an "insured"; or
 - (b) More than 50 horsepower and not owned by or rented to an "insured"; or
 - (2) One or more outboard engines or motors with:
 - (a) 25 total horsepower or less;
 - (b) More than 25 horsepower if the outboard engine or motor is not owned by an "insured";
 - (c) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
 - (d) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:
 - (i) You declare them at policy inception; or
 - (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

The coverages in (c) and (d) above apply for the policy period.

Horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

C. "Aircraft Liability"

This policy does not cover "aircraft liability".

D. "Hovercraft Liability"

This policy does not cover "hovercraft liability".

E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others

Coverages **E** and **F** do not apply to the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by an "insured", even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than initially expected or intended; or
- b. Is sustained by a different person, entity or property than initially expected or intended.

However, this Exclusion **E.1.** does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by an "insured" to protect persons or property;

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location";
 - (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

3. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services;

4. "Insured's" Premises Not An "Insured Location"

"Bodily injury" or "property damage" arising out of a premises:

- a. Owned by an "insured";
 - b. Rented to an "insured"; or
 - c. Rented to others by an "insured";
- that is not an "insured location";

5. War

"Bodily injury" or "property damage" caused directly or indirectly by war, including the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

6. Communicable Disease

"Bodily injury" or "property damage" which arises out of the transmission of a communicable disease by an "insured";

7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse; or

8. Controlled Substance

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional.

Exclusions **A.** "Motor Vehicle Liability", **B.** "Watercraft Liability", **C.** "Aircraft Liability", **D.** "Hovercraft Liability" and **E.4.** "Insured's" Premises Not An "Insured Location" do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured".

F. Coverage E – Personal Liability

Coverage E does not apply to:

1. Liability:

a. For any loss assessment charged against you as a member of an association, corporation or community of property owners, except as provided in **D. Loss Assessment** under **Section II – Additional Coverages**;

b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:

(1) That directly relate to the ownership, maintenance or use of an "insured location"; or

(2) Where the liability of others is assumed by you prior to an "occurrence";

unless excluded in **a.** above or elsewhere in this policy;

2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";

3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;

4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:

a. Workers' compensation law;

b. Non-occupational disability law; or

c. Occupational disease law;

5. "Bodily injury" or "property damage" for which an "insured" under this policy:

a. Is also an insured under a nuclear energy liability policy issued by the:

(1) Nuclear Energy Liability Insurance Association;

(2) Mutual Atomic Energy Liability Underwriters;

(3) Nuclear Insurance Association of Canada;

or any of their successors; or

b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or

6. "Bodily injury" to you or an "insured" as defined under **Definition 5.a.** or **b.**

This exclusion also applies to any claim made or suit brought against you or an "insured" to:

a. Repay; or

b. Share damages with;

another person who may be obligated to pay damages because of "bodily injury" to an "insured".

G. Coverage F – Medical Payments To Others

Coverage F does not apply to "bodily injury":

1. To a "residence employee" if the "bodily injury":

a. Occurs off the "insured location"; and

b. Does not arise out of or in the course of the "residence employee's" employment by an "insured";

2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:

a. Workers' compensation law;

b. Non-occupational disability law; or

c. Occupational disease law;

3. From any:

a. Nuclear reaction;

b. Nuclear radiation; or

c. Radioactive contamination;

all whether controlled or uncontrolled or however caused; or

d. Any consequence of any of these; or

4. To any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

SECTION II – ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

A. Claim Expenses

We pay:

1. Expenses we incur and costs taxed against an "insured" in any suit we defend;

2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the Coverage E limit of liability. We need not apply for or furnish any bond;

3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and
4. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

B. First Aid Expenses

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to an "insured".

C. Damage To Property Of Others

1. We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an "insured".
2. We will not pay for "property damage":
 - a. To the extent of any amount recoverable under Section I;
 - b. Caused intentionally by an "insured" who is 13 years of age or older;
 - c. To property owned by an "insured";
 - d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
 - e. Arising out of:
 - (1) A "business" engaged in by an "insured";
 - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
 - (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".
 This Exclusion e.(3) does not apply to a "motor vehicle" that:
 - (a) Is designed for recreational use off public roads;
 - (b) Is not owned by an "insured"; and
 - (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

D. Loss Assessment

1. We will pay up to \$1,000 for your share of loss assessment charged against you, as owner or tenant of the "residence premises", during the policy period by a corporation or association of property owners, when the assessment is made as a result of:
 - a. "Bodily injury" or "property damage" not excluded from coverage under Section II – Exclusions; or
 - b. Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided such person:
 - (1) Is elected by the members of a corporation or association of property owners; and
 - (2) Serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.
2. Paragraph I. Policy Period under Section II – Conditions does not apply to this Loss Assessment Coverage.
3. Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of:
 - a. One accident, including continuous or repeated exposure to substantially the same general harmful condition; or
 - b. A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.
4. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

SECTION II – CONDITIONS

A. Limit Of Liability

Our total liability under Coverage E for all damages resulting from any one "occurrence" will not be more than the Coverage E Limit Of Liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

Our total liability under Coverage F for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage F Limit Of Liability shown in the Declarations.

B. Severability Of Insurance

This insurance applies separately to each "insured". This condition will not increase our limit of liability for any one "occurrence".

C. Duties After "Occurrence"

In case of an "occurrence", you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

1. Give written notice to us or our agent as soon as is practical, which sets forth:
 - a. The identity of the policy and the "named insured" shown in the Declarations;
 - b. Reasonably available information on the time, place and circumstances of the "occurrence"; and
 - c. Names and addresses of any claimants and witnesses;
2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";
4. At our request, help us:
 - a. To make settlement;
 - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
 - c. With the conduct of suits and attend hearings and trials; and
 - d. To secure and give evidence and obtain the attendance of witnesses;
5. With respect to **C. Damage To Property Of Others** under Section II – Additional Coverages, submit to us within 60 days after the loss a sworn statement of loss and show the damaged property, if in an "insured's" control;
6. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

D. Duties Of An Injured Person – Coverage F – Medical Payments To Others

1. The injured person or someone acting for the injured person will:
 - a. Give us written proof of claim, under oath if required, as soon as is practical; and
 - b. Authorize us to obtain copies of medical reports and records.
2. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

E. Payment Of Claim – Coverage F – Medical Payments To Others

Payment under this coverage is not an admission of liability by an "insured" or us.

F. Suit Against Us

1. No action can be brought against us unless there has been full compliance with all of the terms under this Section II.
2. No one will have the right to join us as a party to any action against an "insured".
3. Also, no action with respect to Coverage E can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

G. Bankruptcy Of An "Insured"

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

H. Other Insurance

This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

I. Policy Period

This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.

J. Concealment Or Fraud

We do not provide coverage to an "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
 2. Engaged in fraudulent conduct; or
 3. Made false statements;
- relating to this insurance.

SECTIONS I AND II – CONDITIONS**A. Liberalization Clause**

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this policy; or
2. An amendatory endorsement.

B. Waiver Or Change Of Policy Provisions

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

C. Cancellation

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
 - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
 - b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
 - c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:
 - (1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or

- (2) If the risk has changed substantially since the policy was issued.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

- d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.

3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

D. Nonrenewal

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

E. Assignment

Assignment of this policy will not be valid unless we give our written consent.

F. Subrogation

An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage **F** or Paragraph **C**. Damage To Property Of Others under Section **II** – Additional Coverages.

G. Death

If any person named in the Declarations or the spouse, if a resident of the same household, dies, the following apply:

1. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death; and

2. "Insured" includes:

- a.** An "insured" who is a member of your household at the time of your death, but only while a resident of the "residence premises"; and

- b.** With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

HOMEOWNERS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PROVISIONS – GEORGIA

SECTION I – PROPERTY COVERAGES

E. Additional Coverages

In all forms except **HO 00 08**:

8. Collapse

Paragraph **c.(2)** is replaced by the following:

- (2)** A part of a building that is standing, even if it has separated from another part of the building. However, if any part of the interior dwelling building separates from another part of the interior of the dwelling building, with the result that any part of the interior dwelling building cannot be occupied for its intended purpose, then this Paragraph **c.(2)** does not apply to that part of the building; or

(This is Paragraph **C.8.c.(2)** in Form **HO 00 04** and **D.8.c.(2)** in Form **HO 00 06**.)

SECTION I – EXCLUSIONS

The **Intentional Loss** exclusion contained in any form or attached endorsement is replaced by the following:

Intentional Loss

- a.** Intentional Loss means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss.

- b.** However, this exclusion will not apply to deny payment to an innocent co-"insured" if the loss:

- (1)** Arose out of family violence; and
- (2)** Is caused by the intentional act of an "insured" against whom a family violence complaint is brought for the act causing the loss.

- c.** If we pay a claim pursuant to Paragraph **b.**, our payment to the innocent co-"insured" is limited to that "insured's" insurable interest in the property. In no event will we pay more than the Limit of Liability.

(The **Intentional Loss** exclusion listed above also replaces any **Intentional Loss** provision found in any other attached endorsement.)

SECTION I – CONDITIONS

In Forms **HO 00 02**, **HO 00 03** and **HO 00 05**:

The lead-in paragraph in Paragraph **D. Loss Settlement** is replaced by the following:

In this Condition **D.**, the terms "cost to repair or replace" and "replacement cost" do not include:

- 1.** Any compensation for actual or perceived reduction in the market value of any property; or
- 2.** The increased costs incurred to comply with the enforcement of any ordinance or law, except to the extent that coverage for these increased costs is provided in **E.11. Ordinance Or Law** under Section **I – Property Coverages**.

Covered property losses are settled as follows:

In Form **HO 00 06**:

The last paragraph in Paragraph **D. Loss Settlement** is replaced by the following:

In this provision, the terms "repaired" or "replaced" do not include:

- a.** Any compensation for actual or perceived reduction in the market value of any property; or
- b.** The increased costs incurred to comply with the enforcement of any ordinance or law, except to the extent that coverage for these increased costs is provided in **D.10. Ordinance Or Law** under Section **I – Property Coverages**.

In Form **HO 00 08**:

The last paragraph in Paragraph **D. Loss Settlement** is replaced by the following:

In this provision, the terms "repair" and "replace" do not include:

- 1.** Any compensation for actual or perceived reduction in the market value of any property; or
- 2.** The increased costs incurred to comply with the enforcement of any ordinance or law.

L. Mortgage Clause

Paragraph 3. is replaced by the following:

3. If we decide to cancel or not renew this policy, the mortgagee will be notified at least 30 days before the date cancellation or nonrenewal takes effect. If the policy has been in effect for less than 60 days or is cancelled for nonpayment of premium, the mortgagee will be notified at least 10 days before the date cancellation takes effect.

(This Condition does not apply to Form HO 00 04.)

SECTION II – EXCLUSIONS**E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others**

Paragraph 8. is replaced in all forms and Endorsement HO 24 73 by the following:

8. Controlled Substance

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs.

However, this exclusion does not apply:

- (1) To the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional; or
- (2) Where the involvement with controlled substance(s) is not within the knowledge of any "insured".

(This is Exclusion 9. in HO 24 73.)

SECTIONS I AND II – CONDITIONS**C. Cancellation**

Paragraphs 1., 2., 2.a., 2.b., 2.c. and 4. are replaced by the following:

1. Any "named insured" may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect, subject to the following:
 - a. If only your interest is affected, the effective date of cancellation will be the later of the following:
 - (1) The date we receive your notice of cancellation; or
 - (2) The date specified in the notice.

However, upon our receipt of your notice of cancellation, we may waive the requirement that the notice state the future effective date of cancellation, as provided in either 1.a.(1) or 1.a.(2) above, by confirming to you in writing the date and time of cancellation.

- b. If by statute, regulation or contract, this policy may not be cancelled unless notice is given to a governmental agency, mortgagee or other third party, we will mail or deliver at least 10 days' notice to you and the third party as soon as practicable after receiving your request for cancellation.

Our notice will state the effective date of cancellation, which will be the later of the following:

- (1) 10 days from the date of mailing or delivering our notice; or
- (2) The effective date of cancellation stated in your notice to us.

2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice, together with our reasons for cancellation, may be delivered to you, or mailed to you at your last known mailing address. A receipt provided by, or such other evidence of mailing as prescribed or accepted by, the U.S. Postal Service will be sufficient proof of notice.

- a. When you have not paid the premium, whether payable to us or to our agent, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
- b. When this policy has been in effect for 60 days or less and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the cancellation effective date takes effect.
- c. When this policy has been in effect for more than 60 days, or at any time if it is a renewal with us, we may cancel only for one or more of the following reasons:
 - (1) Upon discovery of fraud, concealment of a material fact or material misrepresentation made by, or with the knowledge of, any "insured" in obtaining this policy, continuing the policy, or presenting a claim under this policy;
 - (2) Upon the occurrence of a change in the risk which substantially increases any hazard insured against; or
 - (3) Upon the violation, by the "insured", of any of the material terms or conditions of the policy.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it no later than the date cancellation takes effect.

Paragraph **D. Nonrenewal** is replaced by the following:

D. Nonrenewal

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your last known mailing address, and to any lienholder named in the policy, written notice, together with our reasons for nonrenewal, at least 30 days before the expiration date of this policy.

A receipt provided by, or such other evidence of mailing as prescribed or accepted by, the U.S. Postal Service will be sufficient proof of notice.

The following provision is added:

H. Our Right To Recompute Premium

We established the premium for this policy based on the statements you made in the application for insurance. We have the right to recompute the premium if we later obtain information which affects the premium we charged.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

**AMENDMENT OF POLICY PROVISIONS
SERVICE VEHICLES**

SECTION I - PROPERTY COVERAGES

C. Coverage C - Personal Property

4. Property Not Covered:

Paragraph **c.(2)(a)** is deleted and replaced by the following:

c.(2)(a) Used to service a residence. However, this exception does not apply to "recreational motor vehicles" unless used solely to service the "residence premises."

SECTION II - EXCLUSIONS

A. "Motor Vehicle Liability"

Paragraph 2.b. is deleted and replaced by the following:

2.b. Used to service a residence. However, this exception does not apply to "recreational motor vehicles" unless used solely to service the "residence premises."

A "recreational motor vehicle" as used in this endorsement is one of the following:

- a)** All-terrain vehicle;
- b)** Dune buggy;
- c)** Golf cart;
- d)** Snowmobile; or
- e)** Any other motorized land vehicle that is designed for recreational use off public roads.

All other provisions of the policy apply

FI261 (01/16) Page 1 of 1

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AU677 (06/15)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL ACCOUNT DEDUCTIBLE ENDORSEMENT

If we insure your home and auto(s) and there is a covered loss caused by a single accident or occurrence that affects both your Homeowners and Personal Auto Policies, we will apply only one deductible. The deductible to be applied will be the higher of either your homeowners Section I deductible or "your covered auto's" physical damage deductible that applies to the loss. The highest deductible applies to the total of all damages which results from the same accident or occurrence.

Deductibles will be applied separately when this would be to your benefit.

This provision does not replace or waive any peril or coverage specific to homeowners deductibles. This includes, but is not limited to, earthquake, water back-up or sump overflow, freezer contents, or watercraft deductibles.

All other provisions of the policy apply.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HOME-SHARING HOST ACTIVITIES AMENDATORY ENDORSEMENT

DEFINITIONS

A. The following definitions are added:

1. "Home-sharing host activities" means:
 - a. The:
 - (1) Rental or holding for rental; or
 - (2) Mutual exchange of services; of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
 - b. Any other related property or services made available by an "insured" for use during such:
 - (1) Rental; or
 - (2) Mutual exchange of services; except those property or services provided by another party.
2. "Home-sharing network platform" means an online-enabled application, web site or digital network that:
 - a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and
 - b. Allows for the agreement and compensation with respect to such a rental to be transacted through such online-enabled application, web site or digital network.
3. "Home-sharing occupant" means a person, other than an "insured", who:
 - a. Has entered into an agreement or arranged compensation with an "insured" through a "home-sharing network platform" for "home-sharing host activities"; or
 - b. Is accompanying or staying with a person described in Paragraph **3.a.** of this provision under such "home-sharing host activities".

B. Definition B.3. "Business" is replaced as follows:

3. "Business" means:

- a. A trade, profession or occupation engaged in on a full-time, part-time or occasional basis;
- b. "Home-sharing host activities"; or
- c. Any other activity engaged in for money or other compensation, except the following:
 - (1) One or more activities, not described in (2) through (4) below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
 - (2) Volunteer activities for which no money is received other than payment for expenses to perform the activity;
 - (3) Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
 - (4) The rendering home day care services to a relative of an "insured".

C. In this Policy, the terms:

1. Roomer;
2. Boarder;
3. Tenant; or
4. Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

C. Coverage C – Personal Property

Paragraphs **f.** and **g.** of **4. Property Not Covered** are replaced as follows:

We do not cover:

- f. Property of:**
 - (1) A "home-sharing occupant";

(2) Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and

(3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

g. Property in:

(1) A space while rented or primarily held for rental to a "home-sharing occupant"; or

(2) Subject to Paragraph **C.4.g.(1)**, property in an apartment regularly rented or held for rental to others by an "insured" except as provided in **E.10. Landlord's Furnishings** under Section **I – Property Coverages**;

The following provision is added to **4. Property Not Covered**:

We do not cover property used primarily for "home-sharing host activities".

D. Coverage D – Loss Of Use

Paragraph **D.2. Fair Rental Value** is replaced as follows:

2. Fair Rental Value

If a loss covered under Section **I** makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

However, we do not cover fair rental value arising out of or in connection with "home-sharing host activities".

Payment will be for the shortest time required to repair or replace such premises.

SECTION I – PERILS INSURED AGAINST

A. Coverage A – Dwelling And Coverage B – Other Structures

Paragraph **A.2.c.(3)** is replaced as follows:

(3) Theft:

(a) If such loss arises out of or results from "home-sharing host activities"; or

(b) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;

Paragraph **A.2.c.(4)** is replaced by the following:

(4) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if:

(a) The loss arises out of or results from "home-sharing host activities"; or

(b) The dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;

B. Coverage C – Personal Property

Paragraph **B.8.** is replaced as follows:

8. Vandalism Or Malicious Mischief

This peril does not include loss caused by vandalism or malicious mischief to property arising out of or resulting from "home-sharing host activities".

Paragraph **B.9.** is replaced as follows:

9. Theft

a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.

b. This peril does not include loss caused by theft:

(1) Committed by an "insured";

(2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;

(3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured";

(4) That occurs off the "residence premises" of:

(a) Trailers, semitrailers and campers;

(b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or

(c) Property while at any other residence owned by, rented to, or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss; or

- (5) If such loss arises out of or results from "home-sharing host activities".

SECTION II – EXCLUSIONS

Exclusion **E.2.** is replaced as follows:

Coverages **E** and **F** do not apply to the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. With respect to other than "home-sharing host activities", this Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location":

- (a) On an occasional basis, if used only as a residence;
- (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
- (c) In part, as an office, school, studio or private garage; and

- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

Exclusion **G.4.** is replaced as follows:

Coverage **F** does not apply to "bodily injury":

4. To:

- a. A "home-sharing occupant"; or
- b. Any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement, or the Protection Plus Coverages Endorsement, or the Premier Coverages Endorsement is made a part of this Policy, Exclusion **1.g.** under Personal Injury Coverage is replaced by the following:

This insurance does not apply to:

1. "Personal injury":

- g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

With respect to other than "home-sharing host activities", this exclusion does not apply to:

- (1) The rental or holding for rental of an "insured location":

- (a) On an occasional basis if used only as a residence;
- (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
- (c) In part, as an office, school, studio or private garage; and

- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

HOMEOWNERS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA
COVERAGE – GEORGIA**

SCHEDULE

These limits of liability apply to the total of all loss or costs payable under this endorsement, regardless of the number of "occurrences", the number of claims made, or the number of locations insured under this endorsement and listed in this Schedule.		
1.	Section I – Property Coverage Limit Of Liability for the Additional Coverage "Fungi", Wet Or Dry Rot, Or Bacteria	\$
2.	Section II – Coverage E Aggregate Sublimit of Liability for "Fungi", Wet Or Dry Rot, Or Bacteria	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

DEFINITIONS

The following definition is added:

"Fungi"

- a. "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- b. Under Section II, this does not include any fungi that are, are on, or are contained in, a good or product intended for consumption.

SECTION I – PROPERTY COVERAGES

E. Additional Coverages

Paragraph **10.k.(2)(d)** is deleted in Form **HO 00 05** only.

The following Additional Coverage is added:

13. "Fungi", Wet Or Dry Rot, Or Bacteria

- a. The amount shown in the Schedule above is the most we will pay for:
 - (1) The total of all loss payable under Section I – Property Coverages caused by "fungi", wet or dry rot, or bacteria;

(2) The cost to remove "fungi", wet or dry rot, or bacteria from property covered under Section I – Property Coverages;

(3) The cost to tear out and replace any part of the building or other covered property as needed to gain access to the "fungi", wet or dry rot, or bacteria; and

(4) The cost of testing of air or property to confirm the absence, presence or level of "fungi", wet or dry rot, or bacteria whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of "fungi", wet or dry rot, or bacteria.

b. The coverage described in **13.a.** only applies when such loss or costs are a result of a Peril Insured Against that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.

- c. The amount shown in the Schedule for this coverage is the most we will pay for the total of all loss or costs payable under this Additional Coverage regardless of the:

- (1) Number of locations insured under this endorsement; or
- (2) Number of claims made.

This coverage does not increase the limit of liability applying to the damaged covered property.

SECTION I – PERILS INSURED AGAINST

In Form HO 00 03:

A. Coverage A – Dwelling And Coverage B – Other Structures

Paragraph 2.c.(5) is replaced by the following:

- (5) Caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

Paragraph 2.c.(6)(c) is replaced by the following:

- (c) Smog, rust or other corrosion;

B. Coverage C – Personal Property

12. Accidental Discharge Or Overflow Of Water Or Steam

Paragraph b.(4) is replaced by the following:

- (4) Caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

In Form HO 00 05:

A. Under Coverages A, B and C:

Paragraph 2.d. is replaced by the following:

- d. Caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

Paragraph 2.e.(3) is replaced by the following:

- (3) Smog, rust or other corrosion;

SECTION I – EXCLUSIONS

Exclusion A.10. is added:

10. "Fungi", Wet Or Dry Rot, Or Bacteria

"Fungi", Wet Or Dry Rot, Or Bacteria meaning the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot, or bacteria.

This exclusion does not apply:

- a. When "fungi", wet or dry rot, or bacteria results from fire or lightning;
- b. To the extent coverage is provided for in the "Fungi", Wet Or Dry Rot, Or Bacteria Additional Coverage under Section I – Property Coverages with respect to loss caused by a Peril Insured Against other than fire or lightning; or
- c. With respect to "fungi", wet or dry rot, or bacteria that is located on the portion of the covered property that must be repaired or replaced because of direct physical damage caused by a Peril Insured Against.

However, the exclusion shall continue to apply to:

- (1) The cost to treat, contain, remove or dispose of "fungi", wet or dry rot, or bacteria beyond that which is required to repair or replace the covered property physically damaged by a Peril Insured Against;

- (2) The cost of any testing of air or property to confirm the absence, presence or level of "fungi", wet or dry rot or bacteria whether performed prior to, during or after removal, repair, restoration or replacement; and
- (3) Any increase in loss under Coverage **D** – Loss Of Use and Additional Coverage
 - 1. Debris Removal resulting from **c.(1)** and **(2)**.

Direct loss by a Peril Insured Against resulting from "fungi", wet or dry rot, or bacteria is covered.

SECTION I – CONDITIONS

Condition **Q. Policy Period** is replaced by the following:

Q. Policy Period

This policy applies to loss or costs which occur during the policy period.

SECTION II – CONDITIONS

Condition **A. Limit Of Liability** is replaced by the following:

A. Limit Of Liability

Our total liability under Coverage **E** for all damages resulting from any one "occurrence" will not be more than the Coverage **E** Limit Of Liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions will be considered to be the result of one "occurrence".

Our total liability under Coverage **F** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage **F** Limit Of Liability shown in the Declarations.

However, our total liability under Coverage **E** for the total of all damages arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi", wet or dry rot, or bacteria will not be more than the Section **II** – Coverage **E** Aggregate Sublimit Of Liability for "Fungi", Wet Or Dry Rot, Or Bacteria. That sublimit is the amount shown in the Schedule. This is the most we will pay regardless of the:

1. Number of locations insured under the policy to which this endorsement is attached;
2. Number of persons injured;
3. Number of persons whose property is damaged;
4. Number of "insureds"; or
5. Number of "occurrences" or claims made.

This sublimit is within, but does not increase, the Coverage **E** limit of liability. It applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations.

With respect to damages arising out of "fungi", wet or dry rot, or bacteria described in Condition **A. Limit Of Liability** of this endorsement, Condition **B. Severability Of Insurance** is replaced by the following:

B. Severability Of Insurance

This insurance applies separately to each "insured" except with respect to the Aggregate Sublimit of Liability described in this endorsement under Section **II** – Conditions, **A. Limit Of Liability**. This condition will not increase the limit of liability for this coverage.

All other provisions of the policy apply.

HOMEOWNERS
HO 04 77 10 00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ORDINANCE OR LAW
INCREASED AMOUNT OF COVERAGE****SCHEDULE*****New Total Percentage Amount:**

*Entry may be left blank if shown elsewhere in this policy for this coverage.

**SECTION I – PROPERTY COVERAGES
ADDITIONAL COVERAGES****11. Ordinance Or Law**

The total limit of liability that applies:

a. To Coverage **A**, or**b.** For Form **HO 00 04**, to Building Additions And Alterations;

is increased from 10% to the percentage amount shown in the Schedule above.

This is Additional Coverage **10.** in Form **HO 00 06.**

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OUTBOARD MOTOR BOAT LIABILITY COVERAGE

SECTION II - EXCLUSIONS:

Exclusion B. "Watercraft liability" 2.c.(2) is deleted and replaced by the following:

(2) One or more outboard engines or motors with:

- (a) 75 total horsepower or less;
- (b) More than 75 horsepower if the outboard engine or motor is not owned by an "insured";
- (c) More than 75 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
- (d) More than 75 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:
 - (i) You declare them at policy inception; or
 - (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

The coverages in (c) and (d) above apply for the policy period.

Horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

All other provisions of this policy apply.

**HOMEOWNERS
HO 04 16 10 00**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PREMISES ALARM OR FIRE PROTECTION SYSTEM

We acknowledge the installation of an alarm system and/or automatic sprinkler system approved by us on the "residence premises". You agree to maintain this system or systems, for which we have granted a credit, in working order and to let us know promptly of any change, including removal, made to the system(s).

**HOMEOWNERS
HO 04 10 10 00****THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INTERESTS****Residence Premises****SCHEDULE***

Name And Address Of Person Or Organization:

Effective Date Of Interest: (Optional)

Description Of Interest:

Name And Address Of Person Or Organization:

Effective Date Of Interest: (Optional)

Description Of Interest:

* Entries may be left blank if shown elsewhere in this policy for this coverage.

In addition to the Mortgagee(s) shown in the Declarations or elsewhere in this policy, the persons or organizations named in the Schedule above also have an interest in the "residence premises".

**CANCELLATION AND NONRENEWAL
NOTIFICATION**

If we decide to cancel or not to renew this policy, the persons or organizations named in the Schedule will be notified in writing.

All other provisions of this policy apply.



InsuranceHub Agency, LLC
1720 Lakes Pkwy
Lawrenceville, GA 30043-8927

Amended Declaration

Homeowners Policy

Issue Date: 02/06/2021

Amended/Pro-rated Premium \$971.58

Total Term Premium \$971.58

Named Insured

Khuyen-Trinh Vu
1284 ROCK SPRINGS RD
BUFORD, GA 30519

Policy Number	Policy Period	Coverage is provided by the following State Auto Company
1001058356	01/26/21 - 01/26/22	Milbank Insurance Company

The Premises covered by this policy is located at the address below. Policy Period begins 12:01 am standard time at the residence premises.

Insured Location:

1284 ROCK SPRINGS RD
BUFORD, GA 30519

Amended Declaration Effective 02/01/21

- Changed Additional Interests

Your Coverages

Section I Property Coverage	Limit	Premium
A. Dwelling	\$302,900	\$921.23
B. Other Structures	\$30,290	Included
C. Personal Property	\$151,450	Included
D. Loss of Use	\$90,870	Included
Fungi Property Damage	\$10,000	Included
Section II Liability Coverages	Limit	Premium
E. Personal Liability	\$300,000	Included
F. Medical Payments	\$1,000	Included
Fungi Liability	\$50,000	Included

Coverage at the above described location is provided only where a limit of liability or a premium is stated.

Additional Coverages

Coverages	Limit	Premium
Ordinance or Law Coverage	25%	\$50.35
Total Premium		\$971.58

Your Deductibles

Deductibles	Amount
All-Peril	\$2,500
Windstorm or Hail	\$2,500



Questions?

Visit us at **StateAuto.com**
or call **(800) 288-4425**
customer service.

Contact your independent
agent at **(770) 497-1200**.



InsuranceHub Agency, LLC
1720 Lakes Pkwy
Lawrenceville, GA 30043-8927

Amended Declaration

Homeowners Policy

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1284 ROCK SPRINGS RD
BUFORD, GA 30519

Your Applied Discounts

- ◆ Advance Quote
- ◆ Smart / Connected Home
- ◆ Protective Devices Credit
- ◆ Home Purchase Discount



Your Policy Information

Policy type: **HO3**

Construction type: **Sidingwood**

Year built: **1988**

Program: **Standard**

Protection class: **2**

Territory: **30519**

Feet from hydrant: **500**

Miles from fire station: **5**

Residence Type: **Single Family Dwelling**

Questions?

Visit us at **StateAuto.com**
or call **(800) 288-4425**
customer service.

Contact your independent
agent at **(770) 497-1200**.

Your Forms and Endorsements

- QTE-002 (01/20) Mortgagee/Title Package? New Home Purchase - Quote
- FI256 (01/16) Homeowners Options Policy- Cover Page
- HOP063 (10/15) Advisory Notice To Policyholders Home-Sharing Host Services
- HOP066 (03/17) Advisory Notice To Policyholders Home-Sharing Host Activities
- FI256A (01/16) Your Homeowner Policy Quick Reference
- HO0003 (05/11) Homeowners 3- Special Form
- FI0110 (05/13) Special Provisions - Georgia
- FI261 (01/16) Amendment to Policy Provisions Service Vehicles
- FI0653 (02/17) Home-Sharing Host Activities Amendatory Endorsement



InsuranceHub Agency, LLC
1720 Lakes Pkwy
Lawrenceville, GA 30043-8927

Amended Declaration

Homeowners Policy

Issue Date: 02/06/2021

Amended/Pro-rated Premium \$971.58

Total Term Premium \$971.58

Named Insured

Khuyen-Trinh Vu
1284 ROCK SPRINGS RD
BUFORD, GA 30519

Policy Number	Policy Period	Coverage is provided by the following State Auto Company
1001058356	01/26/21 - 01/26/22	Milbank Insurance Company

The Premises covered by this policy is located at the address below. Policy Period begins 12:01 am standard time at the residence premises.

Insured Location:

1284 ROCK SPRINGS RD
BUFORD, GA 30519



Questions?

Your Forms and Endorsements

- HO0336 (05/11) Limited Fungi, Wet or Dry Rot Or Bacteria Coverage - Georgia
- HO0416 (10/00) Premises Alarm or Fire Protection System
- HO0477 (10/00) Ordinance or Law - Increased Amount of Coverage
- AU677 (06/15) Special Account Deductible
- FI47 (05/11) Outboard Motor Boat Liability Coverage
- HO0410 (10/00) Additional Interest - Residence Premises

Visit us at **StateAuto.com**
or call **(800) 288-4425**
customer service.

Contact your independent
agent at **(770) 497-1200**.

Mortgagee, its successors and/or assigns:

LN#505488342
Flagstar Bank FSB, ISAOA
PO Box 52198
Phoenix, AZ 85072

This declarations page with policy forms and endorsements completes the Policy. This Policy will continue in force for the period indicated upon valid payment of the premium, when due.

EXHIBIT B

SWORN STATEMENT IN PROOF OF LOSS

\$ \$936,510.00 1001058356
 AMOUNT OF POLICY AT TIME OF LOSS POLICY NUMBER
1/26/21 1/26/22
 DATE ISSUED DATE EXPIRES AGENT
 To the Milbank Insurance Company
 of _____
 At the time of loss, by the above indicated policy of insurance you insured Khuyen-Trinh Vu
 against loss by Fire/Vandalism to the property described under Schedule "A", according to the
 terms and conditions of the said policy and all forms, endorsements, transfers, and assignments attached thereto.

1. Time and Origin: A Fire/Vandalism loss occurred about the hour of 11:43 o'clock A M on
 the 7th day of April, 20 21. The cause and origin of the said loss were: Fire/Vandalism

2. Occupancy: The building described, or containing the property described, was occupied at the time of the loss as follows,
 and for no other purpose whatsoever: Home.

3. Title and Interest: At the time of the loss the interest of your insured in the property described herein was Owner
None. No other person or persons had any interest therein or encumbrance thereon, except:

4. Changes: Since the said policy was issued there has been no assignment thereof, or change of interest, use, occupancy,
 possession, location, or exposure of the property described, except: None.

5. Total Insurance: The total amount of insurance upon the property described by this policy was, at the time of the loss,
 \$ \$936,510.00 as more particularly specified in the apportionment attached under Schedule "C", besides
 which there was no policy or other contract of insurance, written or oral, valid or invalid.

6. The Actual Cash Value of said property at the time of the loss was.....\$ \$302,900.00

7. The Whole Loss and Damage was\$ \$154,866.00

8. Less Amount of Deductible\$ \$2,500.00

9. The Amount Claimed under the above numbered policy is.....\$ \$152,366.00

The said loss did not originate by any act, design, or procurement on the part of your insured, or this affiant; nothing has been done by or with the privity or consent of your insured or this affiant, to violate the conditions of the policy, or render it void; no articles are mentioned herein or in annexed schedules but such as were destroyed or damaged at the time of said loss; no property saved has in any manner been concealed, and no attempt to deceive the said company, as to the extent of said loss, has in any manner been made. Any other information that may be required will be furnished and considered a part of this proof.

The Insured hereby covenants that no release has been, or will be given to, or settlement, or compromise made with any third party who may be liable in damages to the Insured, and the Insured in consideration of the payment made under this policy hereby subrogates the said Company to all rights and causes of action the said Insured has against any person, persons, or corporations whomsoever for damage arising out of or incident to said loss, or damage to said property and authorizes said Company to sue in the name of the Insured but at the cost of the Company any such third party, pledging full cooperation in such action.

The furnishing of this blank or the preparation of proofs by a representative of the above insurance company is not a waiver any of its rights.

SIGNATURE: [Signature]

NOTARY: State of Georgia; County of Gwinnett; SS
 On this 16th day of February, 20 22, before me appeared Khuyen Trinh Vu
 who is known to be the person(s) named herein and who voluntarily executed this release.

Notary Signature [Signature]Date Commission Expires 4-19-2025

ISABEL PATTERSON
 NOTARY PUBLIC
 Gwinnett County
 State of Georgia

My Comm. Expires April 19, 2025

INSURED RESERVES THE RIGHT TO SUPPLEMENT THIS PROOF OF LOSS AT A LATER DATE, IF NECESSARY.

Andy Construction CN LLC .

ESTIMATE

6363 Sage st
Norcross GA 30071
Phone : 678 599 8301

Date 1/24/22

For Materials & Labor

cnguyen7884@gmail.com

Bill To:

NICK NGUYEN
1284 Rock Springs Rd
Buford , GA 30519
Phone : 404 769 2925

Quantity	Description	Column1	Amount	Column2
1	Floors		\$ 20,000.00	
2	Plumping		\$ 25,000.00	
3	Electric		\$ 15,300.00	
4	Kitchen		\$ 30,500.00	
5	A / C		\$ 18,000.00	
6	Roof		\$ 13,000.00	
7	Interior Walls		\$ 24,300.00	
			\$ -	
			\$ -	
Subtotal			\$ 146,100.00	

Make all checks payable to Andy Construction.

If you have any questions concerning this
invoice, contact Andy : 678 599 8301

Thank you for your business!

Credit	\$ -
Wholesale 0%Tax	6.00%
Additional discount	
Balance due	\$ 154,866.00